



STATE OF INDIANA

Request for Proposals 11-17

INDIANA DEPARTMENT OF ADMINISTRATION

On Behalf Of

The Family and Social Services Administration

Solicitation For:

Hearing Aid Services

Response Due Date: November 10, 2010

James Osborne
Senior Account Manager
Indiana Department of Administration
Procurement Division
402 W. Washington St., Room W478

RFP-11-17
SECTION ONE
GENERAL INFORMATION AND REQUESTED PRODUCTS/SERVICES

1.1 INTRODUCTION

In accordance with Indiana statute, including IC 5-22-9, the Indiana Department of Administration (IDOA), acting on behalf of the Family and Social Services Administration (FSSA), requires the services of a vendor(s) to provide Hearing Aids for various programs under the FSSA. It is the intent of IDOA to solicit responses to this Request for Proposals (RFP) in accordance with the statement of work, proposal preparation section, and specifications contained in this document. This RFP is being posted to the IDOA website (<http://www.IN.gov/idoa/2354.htm>) for downloading. A nominal fee will be charged for providing hard copies. Neither this RFP nor any response (proposal) submitted hereto are to be construed as a legal offer.

1.2 DEFINITIONS AND ABBREVIATIONS

Following are explanations of terms and abbreviations appearing throughout this RFP. Other special terms may be used in the RFP, but they are more localized and defined where they appear, rather than in the following list.

IAC	The Indiana Administrative Code.
IC	The Indiana Code.
Full Time Equivalent (FTE)	The State defines FTE as a measurement of an employee's productivity on a specific project or contract. An FTE of 1 would mean that there is one worker fully engaged on a project. If there are two employees each spending 1/2 of their working time on a project that would also equal 1 FTE.
Implementation	The successful implementation of supplying Hearing Aids at the Indiana Government Center as specified in the contract resulting from this RFP.
Installation	The delivery and physical setup of products or services requested in this RFP.
Other Governmental Body	An agency, a board, a branch, a bureau, a commission, a council, a department, an institution, an office, or another establishment of any of the following: (1) The judicial branch. (2) The legislative branch.

	(3) A political subdivision (includes towns, cities, local governments, etc.) (4) A state educational institution (including charter schools)
Products	Tangible goods or manufactured items as specified in this RFP.
Proposal	An offer as defined in IC 5-22-2-17.
QPA	Quantity Purchase Agreement – Statewide agreement resulting from a RFP.
Respondent	An offeror as defined in IC 5-22-2-18. The State will not consider a proposal responsive if two or more offerors submit a joint or combined proposal. One entity or individual must be clearly identified as the Respondent who will be ultimately responsible for performance of the contract.
Services	Work to be performed as specified in this RFP.
State	The State of Indiana
State Agency	As defined in IC 4-13-1, “state agency” means an authority, board, branch, commission, committee, department, division, or other instrumentality of the executive, including the administrative, department of state government.
Vendor	Any successful Respondent selected as a result of the procurement process to deliver the products or services requested by this RFP.

1.3 PURPOSE OF THE RFP

The purpose of this RFP is to select one or more vendor(s) that can satisfy the State’s need for Hearing Aids. It is the intent of the FSSA to contract with a vendor or vendor’s that provides quality Hearing Aids for the FSSA and other State Agencies at the most competitive price. Some of the key objectives for this RFP are as follows:

- Achieve best-in-class pricing and contract terms by encouraging the vendor community to view different agencies as one single entity with uniform purchasing needs and requirements
- Achieve standardization in purchases and promote specifications that reflect the true “needs” and not the “wants” of users
- Continue to support Governor Daniels’ Buy Indiana initiative

1.4 SUMMARY SCOPE OF WORK

1.4.1 Specifications

This RFP covers the purchases of Hearing Aids made by State Agencies. This RFP is specifically for the physical device. All prices are to reflect the device only. FSSA intends to enter into a Contract with one or more Respondents for the provision of Hearing Aids in accordance with the following specifications:

A. The Respondent must agree to supply all hearing aid devices or Assistive Listening Devices with at least a two-year repair warranty and a one-year replacement for loss/damage warranty.

B. The Respondent must agree to a 90 day return policy.

C. The Respondent must agree to waive any interest fees and/or restocking fees to FSSA for the distribution of hearing aid devices or Assistive Listening Devices.

D. The Respondent must agree that hearing aids must be received by the dispenser within two (2) weeks of receiving the ear impression at no cost for shipping and handling.

E. The Respondent should describe in detail their company's on-line ordering capabilities in order to do the following:

- Order equipment
- Track equipment
- Investigate and compare equipment
- Accept emailed orders (attach PO and Order forms)
- Provide an e-mail confirmation to the individual (including a distinctive number to be used to link impressions sent by the audiologist to the counselor's order):
 - When order is received from counselor
 - When impressions are received from the audiologist
 - When aids are sent to audiologist
- Please note that only the Counselor is allowed to add charges or change State of Indiana orders

F. The Respondent shall provide an advanced notice/request for product changes at least 30 days in advance of release of new product or price.

- Product change form MUST include item #, model of hearing aid, all available options for that model of hearing aid, the manufacturer price, the percentage of discount, and the discounted Vocational Rehabilitation (VR) price (see Attachment G for Sample Product Update List Form).
- Product change form MUST include feature(s) that are standard and included in the hearing aid, options that are available for specific hearing aids, and the cost of each option.

G. The Respondent shall provide Indiana VR with contact information (name, e-mail addresses, phone numbers, addresses, and fax numbers) for manufacturer's representative who are dealing with Indiana contracts for the following positions:

- Manager
- Inside Sales Representative
- Audiologist
- Billing Representative
- Trainer
- Back-up person in case main contact is not available

H. The Respondent must submit individual invoices to the ordering counselor within five (5) business days of mailing the hearing aids. Invoices MUST include Consumer's name and P.O. numbers. Additionally, invoices MUST include the billing person's contact information and the delivery site.

I. The Respondent must issue refund checks on VR accounts rather than "credit memos." When issuing a refund, respondent shall include:

- Identifying information (ex. VR authorization number on the refund checks).
- State name and contact information for refund request.
- Send to the billing address of the order being refunded.

1.4.2 Current Purchasing Profile

In aggregate (FY2008 and FY2009), the State purchased 4778 Hearing Aids and spent approximately \$2,347,433.41 on Hearing Aids based on historical data. Since this number is based on past usage and may fluctuate up or down, the State is not in a position to guarantee that future spending will be at these levels. Nevertheless, the amount is provided as an aid to suppliers in responding to this RFP.

While the participation in the State contract and QPA is not mandatory state-wide, it is the State's goal to continue to encourage Other Governmental Bodies to use the price agreement(s) resulting from this RFP. Increased utilization by these entities significantly enhances the business opportunity for the winning vendor(s) without having to participate in additional RFP processes individually with these entities.

The State, however, is not responsible for the transactions between the vendor(s) and these entities. All Other Governmental Bodies using State contracts and QPAs are expected to follow the contractual terms and conditions specified in those agreements. Vendors are not required to provide Hearing Aids to Non Governmental Bodies, but are highly encouraged to do so.

These figures are only an estimate and are not to be construed as an amount to be offered under this RFP. However, this amount will be utilized when completing the Minority and Women's Business Enterprise participation forms as well as the Indiana Economic Impact forms.

The State may award all or part of this RFP based on the best interests of the State. To maximize your chances of success in this process and to have the opportunity to acquire a substantial portion of the State's business, we strongly encourage you to provide an aggressive response to this RFP. The pricing, quality, and service levels obtained through this process are expected to be significantly more aggressive than those that any individual State entity may currently have with your company.

1.5 RFP OUTLINE

The outline of this RFP document is described below:

Section	Description
Section 1 – General Information and Requested Products or Services	This section provides an overview of the RFP, general timelines for the process, and a summary of the products/services being solicited by the State/Agency via this RFP
Section 2 – Proposal Preparation Instruction	This section provides instructions on the format and content of the RFP including a Letter of Transmittal, Business Proposal, Technical Proposal, and a Cost Proposal
Section 3 – Proposal Evaluation Criteria	This sections discusses the evaluation criteria to be used to evaluate respondents' proposals
Attachment A	M/WBE Participation Plan Form
Attachment B	Sample Contract
Attachment C	Indiana Economic Impact Form
Attachment D	Business Proposal Response Template
Attachment E	Technical Proposal Response Template
Attachment F	Cost Proposal Response Template
Attachment G	Sample Product Update List Form

1.6 QUESTION/INQUIRY PROCESS

All questions/inquiries regarding this RFP must be submitted in writing by the deadline of **3:00 p.m. Eastern Time on October 7, 2010**. Questions/Inquiries may be submitted via fax (317-232-7312) or email rfp@idoa.IN.gov and must be received by Procurement Division by the time and date indicated above.

Following the question/inquiry due date, Procurement Division personnel will compile a list of the questions/inquiries submitted by all Respondents. The responses will be posted to the IDOA website according to the RFP timetable established in Section 1.23. The question/inquiry and answer link will become active after responses to all questions have been compiled. Only answers posted on the IDOA website will be considered official and valid by the State. No Respondent shall rely upon, take any action, or make any decision based upon any verbal communication with any State employee.

Inquiries are not to be directed to any staff member of FSSA. Such action may disqualify Respondent from further consideration for a contract resulting from this RFP.

If it becomes necessary to revise any part of this RFP, or if additional information is necessary for a clearer interpretation of provisions of this RFP prior to the due date for proposals, an addendum will be posted on the IDOA website. If such addenda issuance is necessary, the Procurement Division may extend the due date and time of proposals to accommodate such additional information requirements, if required.

1.7 DUE DATE FOR PROPOSALS

All proposals must be received at the address below by the Procurement Division no later than **3:00 p.m. Eastern Time on November 10, 2010**. Each Respondent must submit **one original hard-copy** (marked "Original") and **one original CD-ROM (marked "Original") and six (6) complete copies on CD-ROM** of the proposal, including the Transmittal Letter and other related documentation as required in this RFP. The **original** CD-ROM will be considered the official response in evaluating responses for scoring and protest resolution. **The respondent's proposal response on this CD may be posted on the IDOA website, (<http://www.in.gov/idoa/2462.htm>) if recommended for selection.** Each copy of the proposal must follow the format indicated in Section Two of this document. Unnecessarily elaborate brochures or other presentations, beyond those necessary to present a complete and effective proposal, are not desired. All proposals must be addressed to:

James Osborne
Indiana Department of Administration
Procurement Division
402 West Washington Street, Room W478
Indianapolis, IN 46204

If you hand-deliver solicitation responses:

To facilitate weapons restrictions at Indiana Government Center North and Indiana Government Center South, as of **July 21, 2008**, the public must enter IGC buildings through a designated public entrance. The public entrance to Indiana Government Center South is located at 302 W. Washington St. (the eastern-most Washington St. entrance). This entrance will be equipped with metal detectors and screening devices monitored by Indiana State Police Capitol Police.

Passing through the public entrance may take some time. Please be sure to take this information into consideration if your company plans to submit a solicitation response in person.

If you ship or mail solicitation responses: United States Postal Express and Certified Mail are both delivered to the Government Center Central Mailroom, and not directly to the Procurement Division. It is the responsibility of the Respondent to make sure that solicitation responses are received by the Procurement Division at the Department of Administration's reception desk on or before the designated time and date. Late submissions will not be accepted. The Department of Administration, Procurement Division clock is the official time for all solicitation submissions.

All proposal packages must be clearly marked with the RFP number, due date, and time due. Any proposal received by the Department of Administration, Procurement Division after the due date and time will not be considered. Any late proposals will be returned, unopened, to the Respondent upon request. All rejected proposals not claimed within 30 days of the proposal due date will be destroyed.

No more than one proposal per Respondent may be submitted.

The State accepts no obligations for costs incurred by Respondents in anticipation of being awarded a contract.

All proposals submitted to the State should be double-sided and printed on 30% post-consumer recycled content paper or tree-free paper. When possible, soy ink should be used.

1.8 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held **October 6, 2010 from 9:00 a.m. - 10:00 a.m. ET at the IGC South Conference Center, Conference D, 402 West Washington Street, Indianapolis, IN 46204.** At this conference, potential respondents may ask questions about the RFP and the RFP process. Respondents are reminded that no answers issued verbally at the conference are binding on the State and any information provided at the conference, unless it is later issued in writing, also is not binding on the State.

1.9 MODIFICATION OR WITHDRAWAL OF OFFERS

Modifications to responses to this RFP may only be made in the manner and format described in Section 1.6 and clearly identified as a modification.

The Respondent's authorized representative may withdraw the proposal, in person, prior to the due date. Proper documentation and identification will be required before the Procurement Division will release the withdrawn proposal. The authorized representative will be required to sign a receipt for the withdrawn proposal.

Modification to, or withdrawal of, a proposal received by the Procurement Division after the exact hour and date specified for receipt of proposals will not be considered.

1.10 PRICING

Pricing on this RFP must be firm and remain open for a period of not less than 180 days from the proposal due date.

Please refer to the Cost Proposal sub-section under Section 2 for a detailed discussion of the proposal pricing format and requirements.

1.11 PROPOSAL CLARIFICATIONS AND DISCUSSIONS, AND CONTRACT DISCUSSIONS

The State reserves the right to request clarifications on proposals submitted to the State. The State also reserves the right to conduct proposal discussions, either oral or written, with Respondents. These discussions could include request for additional information, request for cost or technical proposal revision, etc. Additionally, in conducting discussions, the State may use information derived from proposals submitted by competing respondents only if the identity of the respondent providing the information is not disclosed to others. The State will provide equivalent information to all respondents which have been chosen for discussions. Discussions, along with negotiations with responsible respondents may be conducted for any appropriate purpose.

The Procurement Division will schedule all discussions. Any information gathered through oral discussions must be confirmed in writing.

A sample contract is provided in Attachment B. Any requested changes to the sample contract must be submitted with your response (See Section 2.3.5 for details). The State reserves the right to reject any of these requested changes. It is the State's expectation that any material elements of the contract will be substantially finalized prior to contract award.

1.12 BEST AND FINAL OFFER

The State may request best and final offers from those Respondents determined by the State to be reasonably viable for contract award. However, the State reserves the right to award a contract on the basis of initial proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint.

Following evaluation of the best and final offers, the State may select for final contract negotiations/execution the offers that are most advantageous to the State, considering cost and the evaluation criteria in this RFP.

1.13 REFERENCE SITE VISITS

The State may request a site visit to a Respondent's working support center to aid in the evaluation of the Respondent's proposal. Site visits, if required will be discussed in the technical proposal.

1.14 TYPE AND TERM OF CONTRACT

The State intends to sign a contract with one or more Respondent(s) to fulfill the requirements in this RFP.

The term of the contract shall be for a period of two (2) years from the date of contract execution. There may be two (2) one year renewals for a total of four (4) years at the State's option.

1.15 CONFIDENTIAL INFORMATION

Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (APRA), IC 5-14-3 *et seq.*, and, after the contract award, the entire RFP file may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the APRA must place all confidential documents (including the requisite number of copies) in a sealed envelope clearly marked "Confidential" and must indicate in the Transmittal Letter and on the outside of that envelope that confidential materials are included. The Respondent must also specify which statutory exception of APRA that applies. The State reserves the right to make determinations of confidentiality. If the Respondent does not identify the statutory exception, the Procurement Division will not consider the submission confidential. If the State does not agree that the information designated is confidential under one of the disclosure exceptions to APRA, it may seek the opinion of the Public Access Counselor. Prices are not confidential information.

1.16 TAXES

Proposals should not include any tax from which the State is exempt.

1.17 PROCUREMENT DIVISION REGISTRATION

In order to receive an award, you must be registered as a bidder with the Department of Administration, Procurement Division. Therefore, to ensure there is no delay in the award all Respondents are strongly encouraged to register prior to submission of their response. Respondents should go to www.in.gov/idoa/2464.htm.

1.18 SECRETARY OF STATE REGISTRATION

If awarded the contract, the Respondent will be required to register, and be in good standing, with the Secretary of State. The registration requirement is applicable to all

limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. Information concerning registration with the Secretary of State may be obtained by contacting:

Secretary of State of Indiana
Corporation Division
402 West Washington Street, E018
Indianapolis, IN 46204
(317) 232-6576
www.in.gov/sos

1.19 COMPLIANCE CERTIFICATION

Responses to this RFP serve as a representation that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State, and it agrees that it will immediately notify the State of any such actions. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State. The Respondent agrees that the State may confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that State may bar the Respondent from contracting with the State, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the State and has submitted proof of such payment to the State.

1.20 EQUAL OPPORTUNITY COMMITMENT

Pursuant to IC 4-13-16.5 and in accordance with 25 IAC 5, it has been determined that there is a reasonable expectation of minority and woman business enterprises subcontracting opportunities on a contract awarded under this RFP. Therefore a contract goal of 8% for Minority Business Enterprises and 8 % for Woman Business Enterprises have been established and all respondents will be expected to comply with the regulation set forth in 25 IAC 5.

Failure to meet these requirements will affect the evaluation of your proposal.

1.21 MINORITY & WOMEN'S BUSINESS ENTERPRISES RFP SUBCONTRACTOR COMMITMENT

In accordance with 25 IAC 5-5, the respondent is expected to submit with its proposal a MWBE Subcontractor Commitment Form. The Form must show that there are, participating in the proposed contract, Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) listed in the Minority and Women's Business Enterprises Division (MWBED) directory of certified firms located at <http://www.in.gov/idoa/2352.htm>. If participation is met through use of vendors who supply products and/or services directly to the Respondent, the Respondent must provide a description of products and/or services provided that are directly related to this proposal and the cost of direct supplies for this proposal. Respondents must complete the

Subcontractor Commitment Form in its entirety.

Failure to meet these goals will affect the evaluation of your Proposal. The Department reserves the right to verify all information included on the MWBE Subcontractor Commitment Form.

Respondents are encouraged to contact and work with MWBED at 317-232-3061 to design a subcontractor commitment to meet established goals as referenced in this solicitation.

Prime Contractors must ensure that the proposed subcontractors meet the following criteria:

- Must be listed on the IDOA Directory of Certified Firms
- Each firm may only serve as one classification – MBE or WBE
- A Prime Contractor who is an MBE or WBE must meet subcontractor goals by using other listed certified firms. Certified Prime Contractors cannot count their own workforce or companies to meet this requirement.
- Must serve a commercially useful function. The firm must serve a value-added purpose on the engagement.
- Must provide goods or service only in the industry area for which it is certified as listed in the directory at <http://www.in.gov/idoa/2352.htm>
- Must be used to provide the goods or services specific to the contract
- National Corporate Diversity Plans are generally not acceptable

**MINORITY & WOMEN’S BUSINESS ENTERPRISES RFP SUBCONTRACTOR
LETTER OF COMMITMENT**

A signed letter(s), on company letterhead, from the MBE and/or WBE must accompany the MWBE Subcontractor Commitment Form. Each letter shall state and will serve as acknowledgement from the MBE and/or WBE of its subcontract amount, a description of products and/or services to be provided on this project and approximate date the subcontractor will perform work on this contract. The State will deny evaluation points if the letter(s) is not attached, not on company letterhead, not signed and/or does not reference and match the subcontract amount and the anticipated period that the Subcontractor will perform work for this solicitation.

By submission of the Proposal, the Respondent acknowledges and agrees to be bound by the regulatory processes involving the State’s M/WBE Program. Questions involving the regulations governing the MWBE Subcontractor Commitment Form should be directed to: Minority and Women’s Business Enterprises Division at (317) 232-3061 or mwbe@idoa.in.gov.

1.22 AMERICANS WITH DISABILITIES ACT

The Respondent specifically agrees to comply with the provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.* and 47 U.S.C. 225).

1.23 SUMMARY OF MILESTONES

The following timeline is only an illustration of the RFP process. The dates associated with each step are not to be considered binding. Due to the unpredictable nature of the evaluation period, these dates are commonly subject to change. At the conclusion of the evaluation process, all Respondents will be informed of the evaluation team's findings.

Key RFP Dates:

Activity	Date
Issue of RFP	September 24, 2010
Pre-Proposal Conference	October 6, 2010
Deadline to Submit Written Questions	October 7, 2010
Response to Written Questions/RFP Amendments	October 15, 2010
Submission of Proposals	November 10, 2010
<i>The dates for the following activities are target dates only. These activities may be completed earlier or later than the date shown.</i>	
Proposal Evaluation	TBD
Proposal Discussions/Clarifications (if necessary)	TBD
Oral Presentations (if necessary)	TBD
Best and Final Offers (if necessary)	TBD
Contract Award	TBD

SECTION TWO PROPOSAL PREPARATION INSTRUCTIONS

2.1 GENERAL

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is described in this section. All Respondents are required to format their proposals in a manner consistent with the guidelines described below:

- Each item must be addressed in the Respondent's proposal.
- The Transmittal Letter must be in the form of a letter. The business and technical proposals must be organized under the specific section titles as listed below. Cost proposal information should be entered in Attachment F (Cost Proposal Response Template)
- **All responses to the business and technical proposals must be entered into the sections located in Attachments D and E.**

2.2 TRANSMITTAL LETTER

The Transmittal Letter must address the following topics except those specifically identified as "optional."

2.2.1 Agreement with Requirement in listed in Section 1

The Respondent must explicitly acknowledge understanding of the general information presented in Section 1 and agreement with any requirements/conditions listed in Section 1.

2.2.2 Summary of Ability and Desire to Supply the Required Products or Services

The Transmittal Letter must briefly summarize the Respondent's ability to supply the requested products and/or services that meet the requirements defined in Section 2.4 of this RFP. The letter must also contain a statement indicating the Respondent's willingness to provide the requested products and/or services subject to the terms and conditions set forth in the RFP including, but not limited to, the State's mandatory contract clauses.

2.2.3 Signature of Authorized Representative

A person authorized to commit the Respondent to its representations and who can certify that the information offered in the proposal meets all general conditions including the information requested in Section 2.3.4, must sign the Transmittal Letter. **In the Transmittal Letter, please indicate the principal contact for the proposal along with an address,**

telephone and fax number as well as an e-mail address, if that contact is different than the individual authorized for signature.

2.2.4 Respondent Notification

Unless otherwise indicated in the Transmittal Letter, Respondents will be notified via e-mail.

It is the Respondent's obligation to notify the Procurement Division of any changes in any address that may have occurred since the origination of this solicitation. The Procurement Division will not be held responsible for incorrect vendor/contractor addresses.

2.2.5 Other Information

This item is optional. Any other information the Respondent may wish to briefly summarize will be acceptable.

2.3 BUSINESS PROPOSAL

The Business Proposal must address the following topics except those specifically identified as "optional." Please include your answers to the following questions in the yellow response sections located in Attachment D.

2.3.1 General (optional)

This section of the business proposal may be used to introduce or summarize any information the Respondent deems relevant or important to the State's successful acquisition of the products and/or services requested in this RFP. Address Specifications in 1.4.1

2.3.2 Respondent's Company Structure

The legal form of the Respondent's business organization, the state in which formed (accompanied by a certificate of authority), the types of business ventures in which the organization is involved, and a chart of the organization are to be included in this section. If the organization includes more than one product division, the division responsible for the development and marketing of the requested products and/or services in the United States must be described in more detail than other components of the organization.

2.3.3 Company Financial Information

This section must include the Respondent's financial statement, including an income statement and balance sheet, for each of the two most recently

completed fiscal years. The financial statements must demonstrate the Respondent's financial stability. If the financial statements being provided by the Respondent are those of a parent or holding company, additional financial information should be provided for the entity/organization directly responding to this RFP.

2.3.4 Integrity of Company Structure and Financial Reporting

This section must include a statement indicating that the CEO and/or CFO has taken personal responsibility for the thoroughness and correctness of any/all financial information supplied with this proposal. The particular areas of interest to the State in considering corporate responsibility include the following items: separation of audit functions from corporate boards and board members, if any, the manner in which the organization assures board integrity, and the separation of audit functions and consulting services. The State will consider the information offered in this section to determine the responsibility of the Respondent under IC 5-22-16-1(d).

The Sarbanes Oxley Act of 2002, H.R. 3763, is NOT directly applicable to this procurement; however, its goals and objectives may be used as a guide in the determination of corporate responsibility for financial reports.

2.3.5 Contract Terms/Clauses

A sample contract that the state expects to execute with the successful Respondent(s) is provided in Attachment B. This contract contains both mandatory and non-mandatory clauses. Mandatory clauses are listed below and are non-negotiable. Other clauses are highly desirable. It is the State's expectation that the final contract will be substantially similar to the sample contract provided in Attachment B.

In your Transmittal Letter please indicate acceptance of these mandatory contract terms (see section 2.2.2). In this section please review the rest of the contract and indicate your acceptance of the non-mandatory contract clauses. If a non-mandatory clause is not acceptable as worded, suggest specific alternative wording to address issues raised by the specific clause. If you require additional contract terms please include them in this section. To reiterate it's the State's strong desire to not deviate from the contract provided in the attachment and as such the State reserves the right to reject any and all of these requested changes.

The mandatory contract terms are as follows:

- Authority to Bind Contractor
- Duties of Contractor, Rate of Pay, and Term of Contract
- Compliance with Laws

- Drug-free Workplace Provision and Certification
- Funding Cancellation
- Indemnification
- Governing Laws
- Non-discrimination clause
- Payments
- Penalties/Interest/Attorney's Fees
- Non-collusion and Acceptance

Any or all portions of this RFP and any or all portions of the Respondents response may be incorporated as part of the final contract

Please note that the State will only review or negotiate changes to contract clauses clearly identified in the transmittal letter. If there are no contract clauses identified, Respondent is considered to have accepted the clauses as they are currently written.

2.3.6 References

The Respondent must include a list of at least **two (2)** clients for whom the Respondent has provided products and/or services that are the same or similar to those products and/or services requested in this RFP. Information provided should include the name, address, and telephone number of the client facility and the name, title, and phone/fax numbers of a person who may be contacted for further information.

2.3.7 Registration to do Business

Secretary of State

If awarded the contract, the Respondent will be required to be registered, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. The Respondent must indicate the status of registration, if applicable, in this section of the proposal.

Department of Administration, Procurement Division

Additionally, respondents must be registered with the IDOA. This can be accomplished on-line at <http://www.in.gov/idoa/2464.htm> .

The IDOA Procurement Division maintains two databases of vendor information. The Bidder registration database is set up for vendors to register if you are interested in selling a product or service to the State of Indiana. Respondents may register on-line at no cost to become a Bidder with the State of Indiana. To complete the on-line Bidder registration, go

to <http://www.in.gov/idoa/2464.htm>. The Bidder registration offers email notification of upcoming solicitation opportunities, corresponding to the Bidder's area(s) of interest, selected during the registration process. Respondents do need to be registered to bid on and receive email notifications. Completion of the Bidder registration will result in your name being added to the Bidder's Database, for email notification. The Bidder registration requires some general business information, an indication of the types of goods and services you can offer the State of Indiana, and locations(s) within the state that you can supply or service. There is no fee to be placed in Procurement Division's Bidder Database. To receive an award, you must be registered as a bidder.

Problems or questions concerning the registration process or the registration form can be e-mailed to Amey Redding, Vendor Registration Coordinator, aredding@idoa.in.gov, or you may reach her by phone at (317) 234-3542.

2.3.8 Authorizing Document

Respondent personnel signing the Transmittal Letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section shall contain proof of such authority. A copy of corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

2.3.9 Subcontractors

The Respondent is responsible for the performance of any obligations that may result from this RFP, and shall not be relieved by the non-performance of any subcontractor. Any Respondent's proposal must identify all subcontractors and describe the contractual relationship between the Respondent and each subcontractor. Either a copy of the executed subcontract or a letter of agreement over the official signature of the firms involved must accompany each proposal.

Any subcontracts entered into by the Respondent must be in compliance with all State statutes, and will be subject to the provisions thereof. For each portion of the proposed products or services to be provided by a subcontractor, the technical proposal must include the identification of the functions to be provided by the subcontractor and the subcontractor's related qualifications and experience.

The combined qualifications and experience of the Respondent and any or all subcontractors will be considered in the State's evaluation. The Respondent must furnish information to the State as to the amount of the subcontract, the qualifications of the subcontractor for guaranteeing

performance, and any other data that may be required by the State. All subcontracts held by the Respondent must be made available upon request for inspection and examination by appropriate State officials, and such relationships must meet with the approval of the State.

The Respondent must list any subcontractor's name, address and the state in which formed that are proposed to be used in providing the required products or services. The subcontractor's responsibilities under the proposal, anticipated dollar amount for subcontract, the subcontractor's form of organization, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the Respondent of any responsibilities in responding to this RFP or in completing the commitments documented in the proposal. The Respondent must indicate which, if any, subcontractors qualify as a Minority or Women Owned Business under IC 4-13-16.5-1. See Section 1.21 and Attachment A for Minority and Women Business information.

2.3.10 Experience Serving State Governments

Each Respondent is asked to please provide a brief description of your company's experience in serving state governments and/or quasi-governmental accounts.

2.3.11 Experience Serving Similar Clients

Each Respondent is asked to please describe your company's experience in serving clients of similar size to the State that also had a similar scope. Please provide specific clients and detailed examples.

2.3.12 Facilities and Resources

Each Respondent is asked to please include information with regard to the organization's resources that it deems advantageous to the successful provision of the requested products and services. This might include management capabilities and experience, technical resources, and operational resources not directly assigned to this project, but available if needed.

2.3.13 Pricing for Other Governmental Bodies

Each Respondent is asked to please explain your company's willingness to extend pricing in this RFP to Other Governmental Bodies.

2.3.14 Buy Indiana Initiative/Indiana Company

Please indicate if your Company intends to claim the Buy Indiana points and which definition you have used during the registration process described in Section 2.7. Please provide a yes/no answer and include a screen shot of your company's bidder registration profile with the State. Additionally, please reference any documentation supporting this claim as an attachment here.

2.4 TECHNICAL PROPOSAL

Please include your answers to the following section of questions in Attachment E, Technical Proposal and be sure to address specifications in 1.4.1. The Technical Proposal must be divided into the sections as described below. Every point made in each section must be addressed in the order given. The same outline numbers must be used in the response. RFP language should not be repeated within the response. Where appropriate, supporting documentation may be referenced by a page and paragraph number. However, when this is done, the body of the technical proposal must contain a meaningful summary of the referenced material in the yellow response box. The referenced document must be included as an appendix to the technical proposal with referenced sections clearly marked. If there are multiple references or multiple documents, these must be listed and organized for ease of use by the State. Please be sure to reference the instructions at the beginning of Attachments E for information on how to complete the yellow response boxes.

Proposals must describe in detail how each of the following Mandatory Requirements will be met in order to receive consideration for award. Merely acknowledging requirements without providing a detailed description of how each will be met may result in disqualification of the proposal.

Ear Molds:

- Styles available
- Included in the price of the hearing aids
- Problem resolution

Hearing Aids:

- Various styles available
- Various models available

Ordering:

- Individual accounts per Vocational Rehabilitation Counselor; NOT one account to the State of Indiana
- Shipping hearing aids to different address from billing address
- Keep billing and shipping addresses separate (NO BILL TO SHIPPING ADDRESS)
- Confirmation of order receipt and confirmation of shipping

Billing needs of Indiana VR

- Agree to supply all hearing aid devices or Assistive Listening Devices with at least two-year repair warranty and a one-year replacement for loss/damage warranty
- Agree to a 90 day return policy
- Agree to waive any interest fees and/or restocking fees to FSSA for the distribution of hearing aid devices or Assistive Listening Devices
- Agree that hearing aids must be received by the dispenser within two (2) weeks of receiving the ear impression at no cost for shipping
- Agree to individual invoice sent to the specific counselor within five (5) days of the sending hearing aids to the dispenser
- Describe in detail company's on-line ordering capabilities to:
 - ✓ Order equipment
 - ✓ Track equipment
 - ✓ Investigate and compare features
 - ✓ E-mail orders to manufacturer (attach PO and Order forms)
 - ✓ Provide an e-mail confirmation to the individual counselor when order is received
 - ✓ Assure that only the Counselor is allowed to add charges or change State of Indiana orders
 - ✓ Mechanism for ordering ear molds including how the aids and molds will maintain connection in your system

Support Services

- Sales Rep that is aware of IN VR contract
- Staff Audiologist available
- Billing Rep that is aware of IN VR contract
- Yearly training

2.4.1 Reporting

The State expects winning Respondent(s) to provide two different monthly spend reports within ten (10) working days after the close of the respective billing period. Reporting must be provided in an electronic format (spreadsheet or database) and should at a minimum capture the following fields:

SPECIFIC CONTRACTED DEVICE USAGE REPORT:

- Purchasing State Agency/Program (e.g. VR)
- Order #
- Invoice #
- Manufacturer
- Description
- Standard Configuration #
- Quantity
- Unit Contract Price
- Extended Price

ALL OTHER CONTRACT USAGE REPORT:

- Purchasing State Agency/Program (e.g. First Steps)
- Order #
- Invoice
- Manufacturer
- Description
- Quantity
- Unit List Price
- Contracted Discount Rate
- Indiana Price
- Extended Price

The report details listed above are critical to the State. Please review each field requested above and indicate your company's ability to provide the level of reporting detail described above. Please also describe, in detail, how you intend to generate all the fields listed above (for example – if you have reporting systems that will generate these reports or if you plan to do them manually, etc.). Please provide any sample reporting as a separate exhibit.

2.4.2 Support Tracking

Please describe how the State will be able to electronically track the status of any support inquiry through a web portal.

2.4.3 Order Tracking

Please describe how the State will be able to electronically track the status of any order on a daily basis, especially in the event of a delayed order.

2.4.4 On-line Services

Respondent should describe in detail their company's online-ordering capabilities.

2.4.5 Updated List Pricing

Respondents should describe their commitment to update their List Prices at least once per month. The List Prices must be submitted in soft copy monthly. This is important because the State of Indiana requires that vendors lower the State's discount price on any item by the same magnitude by which the list price has decreased.

2.4.6 Product Updates

Respondents should describe their commitment to send product updates (product update forms will need to be completed in order to have equipment added).

2.4.7 Billing

Respondent should describe their billing methods and how it will meet the requirements of this RFP.

2.4.8 Management Relationship Team

Respondent should provide an overview of the management and customer relationship team that will be responsible for managing the Indiana relationship in the event of being awarded the State's business. Please list each member of the account management team along with their expected roles. A single point of contact should also be provided to address customer service issues related to the account.

2.4.9 Issue Escalation Process

Respondent should describe company's escalation process if the Account Manager cannot resolve any issues.

2.4.10 Service Quality and Customer Feedback

Respondent should explain how company defines its customer service quality program. Please also describe the metrics your company uses to measure its service quality. Please explain how your current system captures customer feedback on specific metrics.

2.5 COST PROPOSAL

In FY2008 and FY2009, the State spent approximately \$2,347,433.41 on Hearing Aids. Please see directions for completing the Cost Proposal Response Template in attachment F.

2.6 INDIANA ECONOMIC IMPACT

All companies desiring to do business with state agencies must complete an "Indiana Economic Impact" form (Attachment C). The collection and recognition of the information collected with the Indiana Economic Impact form places a strong emphasis on the economic impact a project will have on Indiana and its residents regardless of where a business is located. The collection of this information does not restrict any company or firm from doing business with the state.

2.7 BUY INDIANA INITIATIVE/INDIANA COMPANY

It is the Respondent's responsibility to confirm its Buy Indiana status for this portion of the process. If a Respondent has previously registered its business with IDOA, go to <http://www.in.gov/idoa/2464.htm> and click on the link to update this registration. Click the tab titled Buy Indiana. Select the appropriate category for your business. Respondents may only select one category. Certify this selection by clicking the check box next to the certification paragraph. Once this is complete, save your selection and exit your account.

Respondents that have not previously registered with IDOA must go to <http://www.in.gov/idoa/2464.htm> and click on the link to register. During the registration process, follow the steps outlined in the paragraph above to certify your business' status. The registration process should be complete at the time of proposal submission.

Defining an Indiana Business:

“Indiana business” refers to any of the following:

- (1) A business whose principal place of business is located in Indiana.
- (2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
- (3) A business that employs Indiana residents as a majority of its employees.

Respondents claiming this status must indicate which of the provisions above qualifies them as an Indiana business. They must also fully complete the Indiana Economic Impact Form (Attachment C) and include it with their response.

The following is the policy concerning items 4 & 5 described below. Appropriate documentation must be provided with your proposal response supporting either claim made below:

- (4) A business that makes significant capital investments in Indiana.
- (5) A business that has a substantial positive economic impact on Indiana.

Substantial Capital Investment:

Any company that can demonstrate a minimum capital investment of \$5 million or more in plant and/or equipment or annual lease payments of \$2.5 million or more shall qualify as an Indiana business under category #4. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

Substantial Indiana Economic Impact:

Any company that is in the top 500 companies (adjusted) for one of the following categories: number of employees (DWD), unemployment taxes (DWD), payroll withholding taxes (DOR), or Corporate Income Taxes (DOR); it shall qualify as an Indiana business under category #5. If a Respondent needs assistance in determining if its business qualifies under this criterion, please send an email inquiry to buyindianainvest@idoa.in.gov and you will receive a response within forty-eight (48) hours. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

Pursuant to IC 5-22-15-7, Respondents may claim only one preference. For the purposes of this RFP, this limitation to claiming one preference applies to Respondents’ ability to claim the recycled content preference, Indiana small business preference, or to claim eligibility for Buy Indiana points.

SECTION THREE PROPOSAL EVALUATION

3.1 PROPOSAL EVALUATION PROCEDURE

The State has selected a group of personnel to act as a proposal evaluation team. Subgroups of this team, consisting of one or more team members, will be responsible for evaluating proposals with regard to compliance with RFP requirements. All evaluation personnel will use the evaluation criteria stated in Section 3.2. The Commissioner of IDOA or his designee will, in the exercise of his sole discretion, determine which proposals offer the best means of servicing the interests of the State. The exercise of this discretion will be final.

The procedure for evaluating the proposals against the evaluation criteria will be as follows:

- 3.1.1 Each proposal will be evaluated for adherence to requirements on a pass/fail basis. Proposals that are incomplete or otherwise do not conform to proposal submission requirements may be eliminated from consideration.
- 3.1.2 Each proposal will be evaluated on the basis of the categories included in Section 3.2. A point score has been established for each category.
- 3.1.3 If technical proposals are close to equal, greater weight may be given to price.
- 3.1.4 Based on the results of this evaluation, the qualifying proposal determined to be the most advantageous to the State, taking into account all of the evaluation factors, may be selected by IDOA and FSSA for further action, such as contract negotiations. If, however, IDOA and FSSA decide that no proposal is sufficiently advantageous to the State, the State may take whatever further action is deemed necessary to fulfill its needs. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the Respondent, IDOA may begin contract preparation with the next qualified Respondent or determine that no such alternate proposal exists.

3.2 EVALUATION CRITERIA

Proposals will be evaluated based upon the proven ability of the Respondent to satisfy the requirements of the RFP in a cost-effective manner. Each of the evaluation criteria categories is described below with a brief explanation of the basis for evaluation in that category. The points associated with each category are indicated following the category name (total maximum points = 105). Negative points may be assigned in the cost score. Additionally, there is an opportunity for a bonus of five points if certain criteria are met.

For further information, please reference Section 3.2.3 below. If any one or more of the listed criteria on which the responses to this RFP will be evaluated are found to be inconsistent or incompatible with applicable federal laws, regulations or policies, the specific criterion or criteria will be disregarded and the responses will be evaluated and scored without taking into account such criterion or criteria.

Summary of Evaluation Criteria:

Criteria	Points
1. Adherence to Mandatory Requirements	Pass/Fail
2. Management Assessment/Quality (Business and Technical Proposal)	35 points
3. Cost (Cost Proposal)	-20 to +20 available points (5 bonus points are available if certain criteria is met)
4. Indiana Economic Impact	15
5. Buy Indiana	10
6. Minority (10) and Women Business (10) Subcontractor Commitment	20
Total	100 (105 if bonus awarded)

All proposals will be evaluated using the following approach.

Step 1

In this step proposals will be evaluated only against Criteria 1 to ensure that they adhere to Mandatory Requirements. Any proposals not meeting the Mandatory Requirements will be disqualified.

Step 2

The proposals that meet the Mandatory Requirements will then be scored based on Criteria 2 and 3 ONLY. This scoring will have a maximum possible score of 55 points with a potential of 5 bonus points if certain criteria are met. All proposals will be ranked on the basis of their combined scores for Criteria 2 and 3 ONLY. This ranking will be used to create a “short list”. Any proposal not making the “short list” will not be considered for any further evaluation.

Step 2 may include one or more rounds of proposal discussions focused on cost and other proposal elements.

Step 3

The short-listed proposals will then be evaluated based on all the entire evaluation criteria outlined in the table above.

If the State conducts additional rounds of discussions and a BAFO round which lead to changes in either the technical or cost proposal for the short listed Respondents, their scores will be recomputed.

The section below describes the different evaluation criteria.

3.2.1 Adherence to Requirements – Pass/Fail

Respondents passing this category move to Phase 2 and proposal is evaluated for Management Assessment/Quality and Price.

3.2.2 Management Assessment/Quality - 35 points

3.2.3 Price – 20 points available

Price will be measured against the State's baseline cost for this scope of work. The cost that the State is currently paying or its best estimate will constitute the baseline cost. Cost scoring points will be assigned as follows:

- Respondents who meet the State's current baseline cost will receive zero (0) cost points.
- Respondents who propose a decrease to the State's current costs will receive positive points at the same rate as bid increasing cost.
- Respondents who propose an increase to the State's current cost will receive negative points at the same rate as bid lowering cost.
- Respondents who propose a 10% decrease to the State's current baseline cost will receive all of the available cost points.
- If multiple Respondents decrease costs below 10% of the current baseline, an additional 5 points will be added to the Respondent proposing the lowest cost to the State.

3.2.4 Indiana Economic Impact (15 points)

See Section 2.6 for additional information.

The total number of full time equivalent (FTE – please see Section 1.2 for a definition of FTE's) Indiana resident employees for the Respondent's proposal (prime contractor and subcontractors) will be used to evaluate the Respondent's Indiana Economic Impact. Points will be awarded based on a graduated scale. The Respondent with the most Indiana FTEs will be awarded 15 points. Points will then be awarded to the remaining Respondents proportionately.

3.2.5 Buy Indiana Initiative – 10 points

Respondents qualifying as an Indiana Company as defined in Section 2.7 will receive 10 points in this category.

3.2.6 Minority (10 points) & Women's Business (10 points) Subcontractor Commitment - (20 points).

The following formula will be used to determine points to be awarded:

The commitment factor for each proposal will be calculated by multiplying the commitment percentage by one hundred. The RFP score ratio will be determined by dividing the maximum allowable points by the highest commitment factor. The proposal with the highest commitment factor will be given the maximum allowable points. The points awarded to the other proposals will be calculated by multiplying the score ratio by the proposed commitment factor.

Commitment percentage * 100 = commitment factor

Maximum allowable points/highest commitment factor = score ratio

Commitment factor * score ratio = points awarded

The Commissioner of IDOA or his designee will, in the exercise of his sole discretion, determine which proposal(s) offer the best means of servicing the interests of the State. The exercise of this discretion will be final.